REMARKS

Claims 1, 4-14, 17-19, 21-23, 25 and 27 were pending in the application. Upon entry of this amendment, which is respectfully requested, claims 1, 4-14, 17-19, 21-23, 25 and 27 will remain pending and claims 18 and 21 will be amended as discussed below. No new matter is believed added and all claims are believed patentable and in form for allowance.

Claim Rejections under 35 USC § 112

Claims 18 and 21 are rejected under 35 U.S. C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. In particular, the Examiner states that the term "type" is "indefinite because it is not clear to how to evaluate to what extent it is being used within the context of the claim. Moreover, the word 'type' has several definitions that change the scope of the claim and thereby make it ambiguous." (see Office Action at page 2).

Applicants respectfully traverse this ground of rejection. The term "type" is used clearly and consistently throughout the application as filed. Examples of "types" of financial products described throughout the specification are a lease or a loan. The usage of the term in the context of the claims and as introduced in the specification is consistent with its dictionary definition (i.e., a "number of people or things having in common traits or characteristics that distinguish them as a group or class", see The American Heritage® Dictionary of the English Language, Fourth Edition, 2000).

However, to advance the case, Applicants have amended claims 18 and 21 to indicate that the "type" of financial product is one of a lease and a loan. Applicants request that the Examiner withdraw the rejection under §112.

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Claim Rejections under 35 USC § 103(a)

Claims 1, 4-14, 17-19, 21-23, 25 and 27 are rejected as being unpatentable over U.S. Patent No. 5,696,907 ("Tom") in view of Maggioncalda et al. U.S. Patent No. 5,918,217 ("Maggioncalda") and U.S. Patent No. 6,078,901 ("Ching").

As an initial matter, Applicants respectfully request that the Examiner provide some response to Applicant's arguments so that prosecution may be advanced. In prior responses, Applicants have presented amended claims and detailed arguments relating to the teachings of the Tom reference. The Examiner has not taken note of any of the arguments or answered the substance of them as required by MPEP §707.07(f). Applicants have continued to make good faith attempts to advance prosecution by providing a number of clarifying amendments and arguments pointing out distinctions over the Tom reference. Nevertheless, the Examiner continues to misconstrue the teachings of the Tom reference. For example, on page 2 of the Office Action, the Examiner again asserts: "Tom discloses making an approval decision based on the return on investment (see Abstract)". The Abstract of Tom is copied here for the Examiner's convenience:

> "The present invention discloses a method and system for performing risk and credit analysis of financial service applications with a neural network. The neural network imitates and perfects a credit manager's evaluation and decision process to control loss and guide business expansion. In particular, the neural network screens applications to control loss and to find directions where business volume can increase with a minimum increase in loss. Initially, data variables are pre-processed and applied to the neural network. The neural network in the present invention is optimized by a non-iterative regression process, as opposed to the computationally intensive back propagation algorithm." (Tom, Abstract).

Applicants respectfully request that the Examiner clearly point out how (and where) Tom (in the Abstract or elsewhere) "discloses making an approval decision based on the return on investment." As discussed in Applicants' prior responses, there simply is no such teaching in Tom (and certainly not in the Abstract as alleged by the Examiner), as Tom relates to a neural network configured to analyze historical application data and create new guidelines to assist credit managers in approving future applications.

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Once again, Applicants point to the actual teachings of Tom that show this:

-Col. 3, lines 39-68 (describing the collection of data from "previously approved financial service applications" or "previously filed financial service applications that have become active contracts for at least twenty-four months from the date of approval");

-Col. 3, line 63 – Col. 4, line 16 (describing the analysis of the collected historical data and construction of the neural network);

-Col. 4, lines 17-64 (describing how the "data collected from the plurality of previously approved financial service applications" is pre-processed and organized into different groups);

-Col. 5, lines 24-44 (describing how the collected and pre-processed data is used to construct a neural network decision model); and

-Col. 5, line 45-Col. 7, line 10 (describing how the neural network decision model is used to analyze the data and to determine whether approval criteria should be relaxed based on an analysis of the historical data).

Applicants find no teaching or suggestion in Tom that an application for a financial product be evaluated by, *inter alia*, calculating, based at least on expected loss data, a return on investment for said application. Not only is the concept not discussed, a text search of the Tom patent shows that the terms "expected loss" and "return on investment" do not even appear in the Tom reference. Applicants respectfully request that the Examiner provide a reference to a specific line and column in Tom where the claimed feature is taught or suggested.

Applicants respectfully assert that there is no such teaching in Tom and request that the Examiner's rejections under §103 over the Tom reference be withdrawn for all claims. The other references fail to make up for this deficiency and each of the claims are patentable at least for this reason.

Further, each of the claims are patentable over the cited references, alone or in any combination, because none of the references teach or suggest the claimed feature of making an application approval decision by comparing a calculated ROI with an expected ROI for a

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financial product. The Examiner acknowledges that this feature is missing from the Tom reference, and cites the Maggioncalda reference to make up for Tom's deficiency.

The Maggioncalda reference describes a "user interface for a financial advisory service". More particularly, the reference describes a system "for advising a user regarding feasible and recommended products from a set of financial products and a user interface for such a system." (Col. 1, lines 14-17). That is, the reference describes a system that allows an individual investor to perform "what if" scenarios to identify a product that will meet the investor's investment objectives. As an initial matter, Applicants respectfully assert that Maggioncalda and Tom represent non-analogous art and that it would not have been obvious for a skilled person to combine Maggioncalda and Tom (e.g., Maggioncalda's system for assisting individual investors in performing "what if" scenarios for their retirement investments is a different field of endeavor than Tom's system for providing a neural network system to improve decision criteria for managers to approve loans).

Further, like Tom, Maggioncalda does not teach or suggest <u>making an application approval decision by comparing a calculated ROI with an expected ROI for a financial product</u>. There is simply no application approval decision made in Maggioncalda, nor are there any applications for financial products in Maggioncalda.

The Ching reference also fails to make up for this deficiency and fails to teach making an application approval decision by comparing a calculated ROI with an expected ROI for a financial product. Like Maggioncalda, Ching does not describe any application approval decision. As such, each of the pending claims are patentable over the cited references, alone or in any combination. Applicants respectfully request the §103 rejections be removed.

Once again, the Examiner apparently disregards other features of the claimed invention, including the use of "tiers" as recited in claims 7-13, 18, and 21. Pursuant to some embodiments, a lender may establish product tiers (e.g., such as the tiers depicted in FIG. 5) that define different product features and terms. Each tier may have different qualifying requirements, such as different credit scores (e.g., an applicant having an excellent FICO score may qualify for a particular lease product tier). Each tier is also associated with a different ROI target. In approving an application, the appropriate tier is identified, and the application is only approved if the transaction will comply with the ROI target associated with the tier.

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There is simply no teaching or suggestion in the Tom reference to provide such product tiers (or to approve a transaction if an ROI calculated for an application will meet an ROI threshold associated with the product tier). At least for this additional reason, claims 7-13, 18 and 21 are believed patentable over the Tom reference. Further, none of the other references cited by the Examiner teach or suggest such a feature. Applicants respectfully request that the Examiner's rejections of claims 7-13, 18 and 21 be withdrawn.
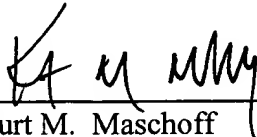
If the Examiner persists in his rejection, Applicants respectfully request that the Examiner point to some teaching or suggestion in Tom (or any other reference) that provides a suggestion to provide the claimed "product tiers" in an application approval system.

CONCLUSION

Accordingly, Applicants respectfully request allowance of the pending claims. If any issues remain, or if the Examiner has any further suggestions for expediting allowance of the present application, the Examiner is kindly invited to contact the undersigned via telephone at (203) 972-0081.

Respectfully submitted,

April 15, 2004
Date

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